



## Coast Guard HR Flag Voice 117

### CREATING THE EXCEPTIONAL WORKPLACE -- BUILDING A "**STRENGTH-BASED**" ORGANIZATION (PART 11)

The Fourth Key: Find the Right Fit  
**The Blind, Breathless Climb**  
"What's wrong with the old career path?"

Sooner or later every manager is asked the question "Where do I go from here?" The employee wants to grow. He wants to earn more money, to gain more prestige. He is bored, underutilized, he deserves more responsibility. Whatever his reasons, the employee wants to move up and he wants you to help.

What should you tell him? Should you help him get promoted? Should you help him seek a "career-enhancing" assignment? Should you help him get assigned to a special project or team? Should you say that all you can do is document his performance? What is the right answer?

There is no right answer -- any one of these answers might be the right one, depending on the situation. However, there is a right way to approach this question: namely, **help each person find the right fit.** Help each person find roles that ask her to do more and more of what she is naturally wired to do. Help each person find roles where his unique combination of strengths -- his skills, his knowledge and his talents-match the distinct demands of the role.

For one employee, this might mean promotion to a supervisor role. For another, it might mean encouraging her to grow within her current role. For yet another, it might mean moving him back into his previous role. These are very different answers, some of which might be decidedly unpopular with the employee. Nonetheless, no matter how bitter the pill, great managers stick to their goal: regardless of what the employee wants, the manager's responsibility is to steer the employee toward roles where the employee has the greatest chance of success.

On paper, this sounds straightforward; but, as you can imagine, it proves to be a great deal more challenging in the real world. Primarily because, in the real world, Conventional Wisdom persuades most of us that the right answer to the question "Where do I go from here?" is...."Up."

Careers, Conventional Wisdom advises, should follow a prescribed path: you begin in a lowly individual contributor role. You gain some expertise and so are promoted to a slightly more stretching, slightly less menial individual contributor role. Next you are promoted to supervise other individual contributors.

And then, blessed with good performance, good fortune and good contacts, you climb up and up, until you can barely remember what the individual contributors do at all.

In 1969, in his book, The Peter Principle, Laurence Peter warned us that if we followed this path without question, we would wind up promoting each person to his level of incompetence. It was true then. It is true now. But, unfortunately, in the intervening years, we haven't succeeded in changing very much. We still think that the most creative way to reward excellence in a role is to promote the person out of it. We still tie pay, perks and titles to a rung on the ladder -- the higher the rung, the greater the pay, the better the perks, the grander the title. Every signal we send tells the employee to look onward and upward. "Don't stay in your current role for too long," we advise. "It looks bad on the resume. Keep pressing, pushing, stretching to take that next step. It's the only way to get ahead. It's the only way to get respect."

These signals, although well intended, place every employee in an extremely precarious position. To earn respect, she knows she must climb. And as she takes each step, she sees that the company is burning the rungs behind her. She cannot retrace her steps, not without being tarred with the failure brush. So she continues her blind, breathless climb to the top, and, sooner or later, she overreaches. Sooner or later, she steps into the wrong role. And there she is trapped. Unwilling to go back, unable to climb up, she clings onto his rung until, finally, the company pushes her off.

Next: People are NOT your greatest asset!

Regards, FL Ames

Excerpted from: *"First Break All the Rules: What the World's Greatest Managers Do Differently."* For more information about the research and book, please refer to web site <http://www.gallup.com/poll/managing/grtwrkplc.asp>.

ALCOAST 427/00

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SUBJ: DIEMS VALIDATION

1. ALL MILITARY MEMBERS MUST ENSURE THEIR DATE OF INITIAL ENTRY TO MILITARY SERVICE (DIEMS) IS ACCURATE. THIS DATE WAS FORMERLY CALLED DATE MILITARY OBLIGATION INCURRED (DMOI) IN PMIS/JUMPS AND HAS BEEN RENAMED. THIS DATE DETERMINES WHICH OF THE THREE RETIREMENT PLANS IN EFFECT THE MEMBER FALLS UNDER. THESE RETIREMENT PLANS ARE: 1) THE "HIGH 1" PLAN, 2) THE "HIGH 3" PLAN, OR 3) THE RECENTLY APPROVED "15-YEAR CAREER STATUS BONUS" (AKA "REDUX BONUS" OR "CHOICE" PLAN).

2. DIEMS IS THE DATE A MEMBER FIRST JOINED THE SERVICE. THIS IS NOT

NECESSARILY THE DATE THEY STARTED ACTIVE DUTY OR

THEIR PAY BASE DATE. MEMBERS WHO FIRST ENTERED UNIFORMED MILITARY SERVICE WHEN THEY WERE ENLISTED, COMMISSIONED, APPOINTED OR INDUCTED INTO THE SERVICE WILL HAVE A DIEMS THAT MATCHES THEIR PAY BASE DATE. MEMBERS WHO FIRST ENTERED UNIFORMED OR MILITARY SERVICE THROUGH THE DELAYED ENTRY PROGRAM, THE ACADEMY, AN ADVANCED ROTC PROGRAM, OR EITHER A RESERVE OR FEDERALLY RECOGNIZED NATIONAL GUARD COMPONENT WILL HAVE A DIEMS THAT MATCHES THE DATE THEY ENTERED THOSE PROGRAMS. IN THIS CASE THE DIEMS WILL BE A DATE BEFORE THEIR PAY BASE DATE. FOR EXAMPLE A MEMBER PLACED IN THE DELAYED ENTRY PROGRAM A YEAR BEFORE GOING TO BOOT CAMP WILL HAVE A DIEMS ONE YEAR EARLIER THAN THEIR PAY BASE DATE. THE SAME HOLDS TRUE FOR SERVICE ACADEMY GRADUATES - THEIR DIEMS IS NORMALLY FOUR YEARS BEFORE THEIR COMMISSIONING DATE (UNLESS THEY WERE APPOINTED AS CADETS FROM ENLISTED OR NAPS STATUS).

3. THE DIEMS THAT DETERMINES WHICH RETIREMENT PLAN A MEMBER QUALIFIES FOR ARE 8 SEPTEMBER 1980 AND 1 AUGUST 1986. MEMBERS WHO FIRST "RAISED THEIR RIGHT HAND" AND SIGNED PAPER WORK NEAR THE KEY DATES OF 7 SEPTEMBER 1980 AND 31 JULY 1986 SHOULD VALIDATE THEIR DIEMS, ESPECIALLY IF THEY WERE IN THE DELAYED ENTRY PROGRAM. ACADEMY GRADUATES FROM CLASSES 1980, 1984/1985 AND 1990/1991 SHOULD CAREFULLY VALIDATE THEIR DIEMS BECAUSE THEIR YEARS AT THE ACADEMY GIVE THEM A DIEMS FAR DIFFERENT THAN THEIR PAY BASE DATE. MEMBERS WHO ENTERED THE SERVICE VIA OTHER SERVICE ACADEMIES, ROTC PROGRAMS, WHO HAVE BROKEN SERVICE, AND/OR SERVICE IN ANOTHER BRANCH OF THE UNIFORMED SERVICES ARE AT PARTICULAR RISK FOR INACCURATE DIEMS. THE DIEMS IS PRINTED IN THE REMARKS BLOCK OF THE LEAVE AND EARNINGS STATEMENT (LES). ALL MEMBERS ARE ENCOURAGED TO VERIFY THEIR DIEMS, AND NOTIFY THEIR SERVICING PERSRU IF THEIR DIEMS IS INCORRECT.

4. DETAILS ABOUT EACH RETIREMENT PLAN ARE DESCRIBED BELOW. FOR ADDITIONAL INFORMATION, A COMPARISON OF RETIREMENT PLANS AND A "RETIREMENT CALCULATOR," REFER TO THE DOD MILITARY PAY AND BENEFITS 2000 WEB SITE AT <http://pay2000.dtic.mil>.

4.A. "HIGH 1" RETIREMENT PLAN. COAST GUARD ACTIVE AND RESERVE MEMBERS WITH A DIEMS OF 7 SEPTEMBER 1980 OR EARLIER ARE RETIRED UNDER THIS PLAN. "HIGH 1" RETIRED PAY IS NORMALLY CALCULATED BASED ON THE HIGHEST BASIC PAY RATE THAT THE MEMBER WAS ENTITLED TO DURING THEIR CAREER. AT THE COMPLETION OF 20 YEARS ACTIVE SERVICE THE MEMBER'S RETIRED PAY WOULD BE 50 PERCENT OF THE HIGHEST BASIC PAY RATE WITH

ANNUAL COST OF LIVING ADJUSTMENTS. RESERVE RETIRED PAY IS CALCULATED UNDER A DIFFERENT FORMULA USING RETIREMENT POINTS, BUT USES THE BASIC PAY RATE IN EFFECT AT AGE 60 FOR THE HIGHEST PAY GRADE HELD.

4.B. "HIGH 3" RETIREMENT PLAN. COAST GUARD ACTIVE AND RESERVE MEMBERS WITH A DIEMS FROM 8 SEPTEMBER 1980 THROUGH

31 JULY 1986 ARE RETIRED UNDER THIS PLAN. HIGH 3 RETIRED PAY IS CALCULATED USING THE AVERAGE OF THE HIGHEST BASE PAY RATES THE MEMBER WAS ENTITLED TO DURING ANY 36 MONTHS OF THE MEMBER'S CAREER (OR WOULD HAVE BEEN ENTITLED TO, IF ON ACTIVE DUTY). AT THE COMPLETION OF 20 YEARS ACTIVE SERVICE THE MEMBER'S RETIRED PAY WOULD BE 50 PERCENT OF THIS AVERAGE WITH ANNUAL COST OF LIVING ADJUSTMENTS (COLA). RESERVE RETIRED PAY AT AGE 60 IS CALCULATED UNDER A DIFFERENT FORMULA USING RETIREMENT POINTS, BUT USES THE BASIC PAY RATE AVERAGE THE SAME AS THE ACTIVE DUTY HIGH 3 PLAN.

4.C. "15-YEAR CAREER STATUS BONUS" (AKA "REDUX BONUS") PLAN. ONLY COAST GUARD ACTIVE DUTY PERSONNEL WITH A DIEMS OF 1 AUGUST 1986 OR LATER MAY SELECT THIS PLAN INSTEAD OF THE HIGH 3 RETIREMENT PLAN. INACTIVE DUTY RESERVISTS WITH A DIEMS OF 1 AUGUST 1986 OR LATER REMAIN UNDER THE HIGH 3 RETIREMENT PLAN DESCRIBED IN THE SUBPARAGRAPH 4. ABOVE. AN ACTIVE DUTY MEMBER WILL AUTOMATICALLY BE RETIRED UNDER THE "HIGH 3" PLAN (50% OF HIGH 3-YEAR BASIC PAY PLUS COLA) UNLESS THEY SPECIFICALLY SELECT THE REDUX BONUS RETIREMENT PLAN. ACTIVE DUTY MEMBERS ARE REQUIRED TO SELECT THEIR RETIREMENT PLAN AT THE 15-YEAR POINT.

4.C.1. WHEN A MEMBER SELECTS THE REDUX BONUS PLAN THEY RECEIVE A \$30,000 LUMP SUM BONUS, AT THE 15 YEAR ACTIVE SERVICE POINT. THE BONUS WILL BE FEDERALLY TAXED AT 28 PCT UNLESS: (A) THE MEMBER IS ELIGIBLE FOR COMBAT TAX EXCLUSION AT THE TIME THE MEMBER COMPLETES 15 YEARS ACTIVE SERVICE; OR (B) THE MEMBER ELECTS TO CONTRIBUTE A PORTION OF THE BONUS TO THE FEDERAL THRIFT SAVINGS PLAN (TSP). THERE IS LEGISLATION PENDING ([Note: has now been authorized; likely that contributions will be permitted beginning calendar year 2002](#)) TO AUTHORIZE MILITARY MEMBERS TO PARTICIPATE IN THE TSP UNDER SECTION 211, TITLE 37, U.S. CODE. SUCH LEGISLATION WOULD AUTHORIZE MEMBERS TO MAKE A TAX DEFERRED CONTRIBUTION OF UP TO \$10,500 OF THE \$30,000 BONUS TO TSP. THE TRADE-OFF FOR THE UP FRONT \$30,000 BONUS IS A 40 PERCENT RETIREMENT AT 20 YEARS, INSTEAD OF THE 50 PERCENT UNDER THE HIGH 3 PLAN, AND LOWER COLA THAN UNDER THE HIGH 3 PLAN. ACTIVE SERVICE MEMBERS WHO TAKE THE \$30,000 BONUS ALSO AGREE TO COMPLETE 20

YEARS OF ACTIVE SERVICE. IF THEY DO NOT COMPLETE 20 YEARS THE UNEARNED PORTION OF THE BONUS WILL NORMALLY BE RECOUPED. A MEMBER WHO SELECTS THE BONUS AND REMAINS ON ACTIVE DUTY FOR A FULL 30 YEARS WILL RECEIVE THE SAME RETIREMENT PAY AS THE "HIGH 3" PLAN, BUT WILL STILL RECEIVE LOWER ANNUAL COST OF LIVING (COLA) ADJUSTMENTS THAN UNDER THE "HIGH 3" PLAN. UPON REACHING AGE 62, MEMBERS WHO SELECTED THE \$30,000 BONUS WILL RECEIVE A ONE-TIME PERCENTAGE MULTIPLIER AND COLA CATCH-UP.

4.C.2. A MEMBER'S DECISION TO ACCEPT OR REJECT THE REDUX BONUS PLAN IS IRREVOCABLE ONCE THE MEMBER REACHES THE FIRST DAY OF THEIR 15TH ACTIVE DUTY YEAR.

5. THE COAST GUARD IS REQUIRED TO INFORM ALL MEMBERS, AT 14.5 YEARS ACTIVE SERVICE, OF THEIR ELIGIBILITY TO ELECT THE REDUX BONUS PLAN PRIOR TO THE 15-YEAR POINT. MEMBER NOTIFICATION WILL START IN FEBRUARY 2001. SPECIFIC GUIDANCE CONCERNING THIS PLAN WILL BE PUBLISHED BEFORE FEBRUARY 2001.

6. ACTION. COMMANDING OFFICERS SHALL BRING THIS ALCOAST TO THE ATTENTION OF ALL HANDS. COAST GUARD MEMBERS MUST ENSURE

THEIR RETIREMENT-RELATED BASE DATES ARE CORRECT. EACH MEMBER MUST CAREFULLY REVIEW THEIR PAY BASE DATE (BLOCK 3), ACTIVE DUTY BASE DATE (BLOCK 4), AND DIEMS DATE (REMARKS BLOCK) OF THEIR LES. IF ANY OF THESE THREE DATES ARE INCORRECT, THE MEMBER MUST NOTIFY THEIR SERVICING PERSRU SO THE DATE (S) CAN BE CORRECTED.

7. POC IS LCDR JIM BREWSTER AT 202-267-1648 OR E-MAIL AT [JBREWSTER@uscg.mil](mailto:JBREWSTER@uscg.mil).

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## **Flag Voice Contents**

This page is maintained by [HR Webmaster \(CG-1A\)](#)